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Testimony
Leo Canty

Finance, Labor and Commerce Committees

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Committee members, I am Leo Canty, Second Vice President of AFT CT, a union of professionals representing 29,000 educators, health professionals and public sector employees – thank you for allowing me to offer my views on the proposed Connecticut Public-Private Partnership Act.

And let me thank you for your incredible energy and commitment to doing all you can to grow jobs in our state. We have had zero progress in that category during the last 20 years which happen to coincide with the terms of the last 3 governors, so now it is refreshing to see the progress, new life and a real spark looking to ignite terrific job growth initiatives to get people back to work and expand our jobs base for a more prosperous future.

While our economy has waned in these tough times our state has had to do things that we normally wouldn't do if we were blessed with a better economy. There is a sense of urgency in changing things. There is a sense we need to act and move fast or we'll lose out. Haste can easily become a substitute for a slower and more deliberate process. Sure, we're all under pressure to move everything today – but we shouldn't forfeit good sense for quick action.

This also applies a lot of questionable conventional wisdom that suggests anything private is better than anything public. Costs, efficiency, labor, and other factors have been assumed by many to be cheaper when proffered by private industry. Busting that myth, last month the New York Times published a story that covered a report by Pogo – Project On Government Oversight. The astonishing finding of POGO was that in way too many cases it was significantly less expensive to have public sector workers do work that was contracted out. While the private sector tried to discount the findings – and certain think tankers from certain political disciplines try to make the case



that it is more costly – the reality is that there is no general rule and every case should be analyzed and tested on its merits.

Our state has seen that wisdom and put in place a process to do the appropriate analysis with the Contracting Standards Board. Maybe the wisdom was nudged by an incredible string of quick fixes, lack of appropriate oversight and unchecked corruption with some consequences that sent our Governor to jail and a jobs program based on doing the same job on I 84 drainage twice. Haste in those cases made for lost of waste. While the concept of expeditious public-private partnerships as proposed by the Act may seem to fulfill a quick answer to job creation and savings and better government by letting the private sector do the job – may seem appealing, there is little hard evidence that actually proves it works better – for the government and the people it serves. There's lots of evidence the private sector profits handsomely.

If it comes to pass that the Partnership Act is approved – and I sincerely hope it doesn't happen - I think we've learned from lots of bad experiences that show the darker the deal the less that's seen. I say Let the Sun Shine In on triple Ps -. There must be a greater level of accountability and much more oversight on the programs than we've done in the past - I hope we learned lessons as we watched and suffered from private sector self-policing, false accounting, corruption and minimal accountability. When the watch dogs are out – it's amazing what grows legs and walks away.

I suggest for any of these partnerships – if they come into being, will be subject to watch dogs and sunlight. Private company accepting public funds and operating a next – to public function or facility should have all the same rules of sunlight as the public entity. That means full disclosure of pay, benefits, profits, expenses, e-mails, correspondence and everything else according to FOI standards will be the same for all partners.

We have been through too much bad stuff to hastily ease the rules. Yes we need jobs – but we don't need to pay the price and encumber our future with bad decisions and bad outcomes – and our state has proven itself to be champions in that venue.

Having oversight and good cost and efficiency analysis makes for better decisions. There is little reason to have a slow process when we do have the ability to make it all work faster and better the right way.

Please don't set us back with this bill – let's move forward in a good way and set the stage for a more prosperous future by better decisions and bad deals and mistakes avoidance.

Thank you